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8 Bitmain Technologies, Ltd.

9
10 **UNITED STATES DISTRICT COURT**
11 **NORTHERN DISTRICT OF CALIFORNIA**
12 **SAN FRANCISCO DIVISION**
13

14 GOR GEVORKYAN, on behalf of himself and
all others similarly situated,

15 Plaintiff,

16 v.

17 BITMAIN, INC., BITMAIN
18 TECHNOLOGIES, LTD., and DOES 1 to 10,

19 Defendants,

Case No. 3:18-cv-07004-JD

**DECLARATION OF LUYAO LIU IN
SUPPORT OF DEFENDANT BITMAIN
TECHNOLOGIES, LTD.'S NOTICE OF
MOTION AND MOTION TO DISMISS
FOR LACK OF PERSONAL
JURISDICTION AND TO STRIKE
CLASS ALLEGATIONS**

**Notice of Motion and Motion to Dismiss
Filed Concurrently**

Hearing Date: December 19, 2019

Time: 10:00 a.m.

Judge: Hon. James Donato

1 I, Luyao Liu, declare as follows:

2 1. I am the Investment Director of Defendant Bitmain Technologies, Ltd. ("Bitmain"). I
3 am over the age of 18 and make this declaration of my own personal knowledge, and, if called as a
4 witness, I could and would testify competently to the facts stated herein.

5 2. This declaration is made in support of Bitmain's Notice of Motion and Motion to
6 Dismiss for Lack of Personal Jurisdiction and to Strike Class Allegations.

7 3. Bitmain is a foreign company established under the laws of the Hong Kong Special
8 Administrative Region of the People's Republic of China.

9 4. Bitmain's principal place of business is in Beijing, China. All decisions relating to the
10 day-to-day operations of Bitmain are made in the People's Republic of China.

11 5. Bitmain does not have an agent for service of process in the State of California.

12 6. Bitmain does not operate sales or service networks within the State of California.

13 7. Bitmain does not own, use, lease, or possess any real estate in the state of California,
14 nor does it maintain a place of business in the State of California.

15 8. Bitmain does not have a bank account in the state of California.

16 9. Bitmain does not pay taxes to the State of California.

17 10. Bitmain has its own board of directors, its own separate workforce, and makes its own
18 business decisions and controls its own operations. Bitmain has its own separate managerial and
19 supervisory personnel.

20 11. Bitmain maintains its own corporate books and financial records, and its own bank
21 accounts. Bitmain files its own tax returns.

22 12. Bitmain does not design or manufacture its Application Specific Integrated Circuit
23 ("ASIC") devices in the state of California.

24 13. Bitmain does not target its marketing or solicitations toward California residents.

25 14. Bitmain does not advertise its products in California.

26 15. In 2018, 5.2% of Bitmain's sales to customers in the United States were to customers
27 in California. In 2019, as of September 1, less than 0.5% of units sold to U.S. customers were to
28 individuals in California.

1 16. When a customer purchases ASIC devices from Bitmain's website, he or she agrees
 2 prior to the purchase that the laws of Hong Kong will apply to any dispute arising out of the
 3 transaction, and that all claims arising out of or relating to the transaction will be submitted
 4 exclusively in the Hong Kong International Arbitration Center, and both the purchaser and Bitmain
 5 consent to personal jurisdiction in those tribunals. A true and correct copy of these terms are attached
 6 as **Exhibit A**.

7 17. Bitmain Inc. is a sister company to Bitmain. Both Bitmain and Bitmain Inc. are
 8 subsidiaries of BitMain Technologies Holding Company, which is headquartered in the People's
 9 Republic of China.

10 18. Bitmain does not own stock in Bitmain Inc.

11 19. Bitmain Inc. is a research and development company based in San Jose, California.
 12 Bitmain Inc. does not have any sales personnel and is not involved in Bitmain's business of selling
 13 ASIC devices.

14 20. Bitmain and Bitmain Inc. have separate officers and maintain separate workforces.

15 21. Bitmain and Bitmain Inc. operate independently from each other. Bitmain does not
 16 control the business decisions or operations of Bitmain Inc.

17 22. Bitmain and Bitmain, Inc. each have their own corporate books and financial records,
 18 their own bank accounts, and file tax returns separate from each other.

19 23. The Court's exercise of jurisdiction over Bitmain would pose a substantial burden in
 20 that Bitmain would be required to retain California attorneys and its employees would be required to
 21 travel to California from the People's Republic of China to defend against this action.

22 I declare under penalty of perjury under the laws of the United States of America that the
 23 foregoing is true and correct. Executed this 1st day of October 1, 2019, at Beijing, China.
 24

25
 26 By: _____


 Luyao Liu